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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
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Stuart Serkin

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EXAMINER

BUCHANAN, CHRISTOPHER R

ART UNIT

PAPER NUMBER

3627

NOTIFICATION DATE

DELIVERY MODE

06/18/2009

ELECTRONIC

**Please find below and/or attached an Office communication concerning this application or proceeding.**

The time period for reply, if any, is set in the attached communication.

Notice of the Office communication was sent electronically on above-indicated "Notification Date" to the following e-mail address(es):

PATDOCTC@fr.com

<b>Office Action Summary</b>	<b>Application No.</b> 09/401,873	<b>Applicant(s)</b> SERKIN ET AL.	
	<b>Examiner</b> CHRISTOPHER R. BUCHANAN	<b>Art Unit</b> 3627	

**-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --**

**Period for Reply**

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

**Status**

- 1) ☒ Responsive to communication(s) filed on 27 February 2009.
- 2a) ☒ This action is **FINAL**.                      2b) ☐ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

**Disposition of Claims**

- 4) ☒ Claim(s) 1,4,5,7-12 and 14-33 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 1,4,5,7-12 and 14-33 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

**Application Papers**

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

**Priority under 35 U.S.C. § 119**

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All    b) ☐ Some \*    c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
2. ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

\* See the attached detailed Office action for a list of the certified copies not received.

**Attachment(s)**

- |  |   |
|--|---|
| 1) <input type="checkbox"/> Notice of References Cited (PTO-892)                     | 4) <input type="checkbox"/> Interview Summary (PTO-413)           |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | Paper No(s)/Mail Date. _____                                      |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO/SB/08)          | 5) <input type="checkbox"/> Notice of Informal Patent Application |
| Paper No(s)/Mail Date _____  | 6) <input type="checkbox"/> Other: _____                          |

## **DETAILED ACTION**

### **Claim Rejections - 35 USC § 103**

1. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

2. Claims 1, 4, 5, 7-12, and 14-33 are rejected under 35 U.S.C. 103(a) as being unpatentable over the NASD reference alone.

Regarding claim 1, NASD discloses an electronic market collector facility comprising a computer system having an interface to provide a single, common point of entry for coupling a plurality of order delivery systems and quote entry systems that send quotes to the computer system to the collector facility, a computer program that manages quotes received from the quote entry systems and orders received from the order delivery systems and that manages order routing/execution to provide for all orders received by the interface either a single point delivery of executions or routing of orders in accordance with parameters of the order (FF 14& 15). Furthermore, the NASD reference discloses a system for receiving a request to cancel execution of an order from a market participant (p. 11 par. 1, recipient permitted to decline an order, i.e., cancel an order), wherein the cancellation request could be for an order of any size (less than 1000 to greater than 5000 shares, orders of less than 1000 shares only

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execute if market maker quote is equal to or greater than order size so there can be a waiting period during which cancellation can occur). Also, it is well-known to place orders that are “good until cancelled”, which suggests that the system provides some means for participants to cancel orders.

NASD does not explicitly show the market participant to have received one of the orders also in an order book stored in the collector facility as a reason for order cancellation.

However, there could be a variety of reasons for canceling an order, e.g., insufficient funds available at execution time, specified time limit passed, participant criteria not met, etc. The particular reason for canceling an order would be a matter of design choice, since this does not affect the nature or functioning of the invention and does not serve any particular purpose or solve any stated problem.

It would have been obvious to one of ordinary skill in the art at the time the invention was made to modify the system of the NASD reference, as suggested by design choice, so that market participants which also receive orders in an order book can send requests to cancel order execution to enable market participants to modify placed orders in response to changing market conditions.

Regarding claim 4, managing multiple quotes and orders at multiple price levels is shown by the management of the limit order file in NASD, since a limit order file contains multiple quotes and orders at multiple price levels (FF 18). Regarding claim 5, aggregate or current quote montage is shown by the three methods of display in NASD, including montage and full displays (FF 18). Regarding claims 7-12, the particular

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features of the management of the order routing/execution, i.e., including time stamping, assigning priorities, price levels, etc., would be matters of design choice, since the do not affect the nature of functioning of the invention.

Regarding claims 14-19, the features of the invention recited in these claims have already been addressed in the rejection above. Regarding claims 20-29, the features of the invention recited in these claims have already been addressed in the rejection above. Regarding claims 30-33, the order manager must either accept or decline the request and the particular criteria required for each option would be a matter of design choice.

### **Response to Arguments**

3. Applicant's arguments filed February 27, 2009 have been fully considered but they are not persuasive. Applicant argues that the prior art, the NASD reference, does not disclose all the recited features of the claimed invention, in particular, allowing a market participant to send a request to cancel an order of any size before the order is executed. Applicant argues that the prior art does not provide a means for canceling orders of less than 1000 shares because there is no delivery period during which orders can be canceled, thus it does not disclose cancellation for orders of any size.

The examiner disagrees and stands by the rejection. As pointed out in the rejection above, the NASD reference discloses the request to cancel an order from a market recipient. The reference states that orders of 1000 shares or less execute automatically only if the market maker or ECN quotation is equal to or greater than the size of the order, i.e., if there are enough shares available to fill the order. If there are

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not enough shares available to immediately fill the order, then there would be a waiting period during which the order could be canceled. Thus, the reference provides a means for canceling orders of any size. Furthermore, the examiner interprets the delivery period (during which orders can be canceled) to include the time the order spends in the time-sequenced queue awaiting delivery to the MMID. During this time in the queue, the market participant could send a request for cancellation of an order of any size.

### **Conclusion**

4. **THIS ACTION IS MADE FINAL.** Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire THREE MONTHS from the mailing date of this action. In the event a first reply is filed within TWO MONTHS of the mailing date of this final action and the advisory action is not mailed until after the end of the THREE-MONTH shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the mailing date of this final action.

5. Any inquiry concerning this communication or earlier communications from the examiner should be directed to CHRISTOPHER R. BUCHANAN whose telephone

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number is (571)272-8134. The examiner can normally be reached on Mon.-Fri. 9:00am - 5:30pm.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Ryan Zeender can be reached on 571-272-6790. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

/CRB/  
Examiner AU 3627

/F. Ryan Zeender/

Supervisory Patent Examiner, Art Unit 3627